

Message Text

UNCLASSIFIED

PAGE 01 AMMAN 04471 180407Z

ACTION COME-00

INFO OCT-01 EUR-12 NEA-11 ISO-00 EB-08 OES-07 /039 W

-----008849 181552Z /42

R 170725Z MAY 78

FM AMEMBASSY AMMAN

TO SECSTATE WASHDC 6137

AMEMBASSY ABU DHABI

AMEMBASSY ATHENS

AMEMBASSY MUSCAT

UNCLAS AMMAN 4471

ATHENS FOR RTDO

E.O.11652: N/A

TAGS: BEXP, JO

SUBJECT: JANUARY 1979 WATER RESOURCES SPECIALIZED TRADE MISSION

REF: A(STATE 84544, B) AMMAN 8747

1. WE WELCOME INCLUSION OF AMMAN IN SCHEDULE FOR WATER RESOURCES MISSION. WE WOULD APPRECIATE RECEIVING S SOON AS POSSIBLE DETAILED INFORMATION REGARDING PRODUCT LINES OF MISSION MEMBERS. EARLY CONTACT (PREFERABLY VISIT TO AMMAN) WITH MISSION ADVANCEMAN ALSO REQUESTED.

2. INFORMATION REQUESTED IN PARAGRAPH #1 OF REF A) FOLLOWS:

A. CITIES TO BE VISITED--AMMAN, TWO FULL DAYS, AQABA, ONE FULL DAY (TRAVEL BY AIR). ALTHOUGH MISSION'S TIME IN AMMAN MAY NOT PERMIT IT, WE RECOMMEND A ON OPTIONAL HALF-DAY TRIP TO GHOR VALLEY (SITE OF MAJOR IRRIGATION PROJECTS SO THAT MISSION MAY VIEW ON-GOING PROJECTS AND LEARN OF FUTURE PLANS FIRST HAND.

B. MANUFACTURERS OF PUMPS, PIPES, ENGINES, SPRINKLER AND DRIP IRRIGATION, METERING AND TESTING EQUIPMENT AND RELATED EQUIPMENT, AND POSSIBLY DRILLING RIGS. JORDAN IS PRESENTLY UNCLASSIFIED

UNCLASSIFIED

PAGE 02 AMMAN 04471 180407Z

CONDUCTING NEW AND REVIEWING OLD STUDIES OF WATER RESOURCE PROBLEMS. CONSIDERATION IS BEING GIVEN TO SORMING SELECT COMMITTEE CHAIRED BY CROWN PRINCE HASSAN. SALES PROSPECTS APPEAR VERY ATTRACTIVE.

C. OFFICIAL GOJ IMPORT STATISTICS INDICATE RAPID RISE OF IMPORTS BETWEEN 1973 AND 1976 FOR PUMPS, PIPES, AND ENGINES USED FOR EXPLOITATION OF WATER RESOURCES. VALUE OF IMPORTED PUMPS

INCREASED FROM \$575,000 IN 1973 TO \$1.2 MILLION IN 1974, \$1.65 MILLION IN 1975, BUT DOWN TO \$310,000 IN 1976. VALUE OF PIPE IMPORTS INCREASED FROM \$2.2. MILLION IN 1973 TO \$4.85 MILLION IN 1976. VALUE OF IMPORTED ENGINES INCREASED FROM \$1.1 MILLION IN 1973 TO \$5.4 MILLION IN 1976. 1977 TOTALS NOT AS YET AVAILABLE. U.S. SHARE OF JORDANIAN MARKET FOR PUMPS IS VERY SMALL COMPARED TO EUROPEAN COMPETITORS. U.S. IS PRIMARY SUPPLIER, WEST GERMAN SECOND, U.S. THIRD, AND ITALY FOURTH. IN ENGINES, U.K. IS AGAIN FIRST, FRANCE SECOND, U.S. THIRD, AND WEST GERMANY FOURTH. U.S. SHARE OF PIPE MARKET IS NIL: INDIA IS PRIMARY SUPPLIER, U.K. SECOND, FRANCE THIRD, AND WEST GERMANY FOURTH. OF ABOVE PRODUCTS, JORDAN PRODUCES FULL REQUIREMENT OF ITS NEED OF GALVANIZED PIPES SIZES 1/2" TO 2"--PRODUCTION STARTED IN LATE 1977. CONCRETE PIPES ARE ALSO MANUFACTURED IN JORDAN OF SIZES 4", 6" AND 8".

D. PUMPS AND ENGINES ENTER JORDAN FREE OF CUSTOMS DUTIES. U.S. PRICING AT SOURCE HAS BEEN COMPETITIVE, BUT HIGHER FREIGHT CHARGES IN COMPARISON WITH 0 COMPETITORS HAVE HAMPERED SALES IN JORDAN. THERE IS PREFERENCE FOR U.S. PRODUCTS EVEN IF LANDED PRICES ARE AS MUCH AS 5 PERCENT HIGHER AT WHOLESALE AND 15 PERCENT AT RETAIL. MOVEMENT OF EXCHANGE RATES OVER PAST YEAR HAS FAVORED U.S. SUPPLIERS IN COMPARISON TO MAJOR COMPETITION: OVER PAST YEAR U.S. DOLLAR HAS DEPRECIATED ABOUT 4 PERCENT IN RELATION TO JORDANIAN DINAR WHILE U.K. POUND AND DEUTSCHMARK HAVE APPRECIATED ABOUT 6 PERCENT AND 8 PERCENT, RESPECTIVELY. FRENCH FRANC HAS DEPRECIATED ABOUT 4 PERCENT.

UNCLASSIFIED

UNCLASSIFIED

PAGE 03 AMMAN 04471 180407Z

G. JORDAN'S 1976-1980 FIVE YEAR PLAN CALLS FOR EXPENDITURE OF \$290 MILLION ON DEVELOPMENT OF NATURAL WATER RESOURCES (SEE REF B)). ALMOST ALL OF THIS AMOUNT IS TO BE EXPENDED BY PUBLIC SECTOR. OF TOTAL WE ESTIMATE THAT APPROXIMATELY \$230 MILLION WILL BE SELF-FINANCED BY GOJ. INCLUDED IN THIS FIGURE ARE \$76 MILLION FOR CONSTRUCTION OF DAMS, \$27 MILLION FOR INSTALLATION OF SPRINKLER IRRIGATION, \$40 MILLION 0 FOR OTHER IRRIGATION PROJECTS, AND \$58 MILLION FOR URBAN WATER SUPPLY AND DESTRIUTION.

H. A) IDA, SAUDI ARABIA, AND USG ARE COOPERATING IN FINANCE OF \$100 MILLION PLUS PROJECT FOR WATER SUPPLY AND DISTRIBUTION AND SEWAGE DISPOSAL PROJECT FOR AMMAN. DISBURSEMENT OF FUNDS FOR PROJECT OVER APPROXIMATELY THREE-YEAR PERIOD LIKELY TO BEGIN IN 1979.

B. U.K. AND ARAB FUND ARE FINANCING WATER SUPPLY AND DISTRIBUTION SYSTEM FOR CITY OF AQABA.

C. GOJ IS CANVASSING POTENTIAL SOURCES OF CONCESSIONAL LOANS FOR WATER SUPPLY AND DISTRIBUTION SYSTEMS FOR CITIES OF IRBID AND ZERKA. USAID FINANCING IS A POSSIBILITY.

D. INTERNATIONAL INSTITUTIONS AND USG CONSIDERING FINANCING OF DAM ON YARMOUK RIVER, WATER FROM WHICH IS TO ULTIMATELY BRING 25,000 HECTARES UNDER IRRIGATION. IN CONNECTION WITH A.) AND D.) ABOVE, THERE MAY EMERGE ATTRACTIVE OPPORTUNITY FOR INVESTMENT IN MANUFACTURE OF PIPE SUITABLE FOR PRESSURE IRRIGATION SYSTEM (AS OPPOSED TO OPEN DITCH SYSTEM). U.K. FIRM IS REPORTEDLY CONSIDERING A JOINT VENTURE TO PRODUCE SUCH PIPE IN JORDAN.

I. A) AURORA PUMP, INC., JOSEPH LAYOUS, P.O. BOX 20286, AMMAN, JORDAN.

B) DE LAVAL TURBINE, INC., M. (KEES) HUIS, P.O. BOX 3091, AMMAN JORDAN.

C) EDWARD J. FAY, INC., GEORGE E. VALESCO, P.O. BOX 5253, UNCLASSIFIED

UNCLASSIFIED

PAGE 04 AMMAN 04471 180407Z

AMMAN, JORDAN.

D) REED IRRIGATION SYSTEMS, JIM TOWNSEND, P.O. BOX 3244, AMMAN JORDAN.

3. FOLLOWING RESPONDS TO INFORMATION REQUESTED PARAGRAPH #3 REF A): A. VISAS--REQUIRED FOR JORDAN AND CAN BE READILY OBTAINED FROM JORDANIAN EMBASSIES OR CONSULATES, OR FOR BEARERS OF U.S. PASSPORTS AT PORT OF ENTRY INTO AORDAN, THOUGH LATTER CAN BE SOMEWHAT INCONVENIENT TO TRAVELLER.

B) HOTES--INTERCONTINENTAL HOTEL IN AMMAN AND HOLIDAY INN AT AQABA OFFER MOST APPROPRIATE ACCOMODATIONS FOR MISSION MEMBERS. TO ASSURE RESERVATION AT AMMAN INTERCON, RESERVATIONS SHOULD BE MAKE WELL IN ADVANCE OF TRAVEL.

C. LANGUAGE--ENGLISH IS VERY WIDELY SPOKEN AND READ AMONG BUSINESS AND GOVERNMENT COMMUNITIES. TRANSLATION/ INTERPRETER SERVICES ARE NOT REQUIRED, THOUGH AVAILABILITY OF ARABIC LANGUAGE WRITTEN MATERIAL WOULD BE A PLUS.

D. NONE NECESSARY, SEE ABOVE.

E. PHOTOGRAPHY-LOCAL SERVICES ARE AVAILABLE AND CAN BE ARRANGED BY EMBASSY ON BEHALF OF TRADE MISSION.

F. RECEPTION--EMBASSY WILL BE HAPPY TO PROVIDE VENUE FOR TRADE MISSION SPONSORED RECEPTION, AT RESIDENCE OF AMBASSADOR OR DCM, IF POSSIBLE. WE ALSO BELIEVE AMMAN CHAMBER OF COMMERCE WILL WANT TO HOST SOCIAL EVENT.

G. MISCELLANEOUS--FOR SHORT PERIOD OF TRADE MISSION VISIT, COMMERCIAL OFFICE CAN PROVIDE RECEPTIONIST FOR TRADE MISSION BUSINESS INFORMATION CENTER. IF SECRETARIAL WORK GENERATED UNCLASSIFIED

UNCLASSIFIED

PAGE 05 AMMAN 04471 180407Z

BY TRADE MISSION IS EXPECTED TO BE SUFFICIENT, WE CAN IN ADDITION
ENGAGE LOCAL BILINGUAL SECRETARY ON BEHALF OF MISSION.
INTERCONTINENTAL HOTEL HAS TELEX FACILITIES AVAILABLE.
SUDDARTH

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 17 may 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978AMMAN04471
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780209-0917
Format: TEL
From: AMMAN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780552/aaaabrjs.tel
Line Count: 179
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: f7323e9c-c288-dd11-92da-001cc4696bcc
Office: ACTION COME
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 78 AMMAN 8747
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 09 mar 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2672063
Secure: OPEN
Status: NATIVE
Subject: JANUARY 1979 WATER RESOURCES SPECIALIZED TRADE MISSION
TAGS: BEXP, JO
To: STATE ABU DHABI
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/f7323e9c-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014